

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

FRGR MANAGING MEMBERS, LLC,
Debtor.

Case No. 09-11061 (*mg*)
New York, New York
April 13, 2010
10:46 a.m.

TRANSCRIPT OF FRGR MANAGING MEMBER LLC
ADV: 1-09-01542, CHAP 11, STATUS CONFERENCE RE
MOTION FOR PRELIMINARY INJUNCTION AND OTHER RELIEF
FILED BY ABRAHAM J. BACKENROTH ON BEHALF OF FRGR
MANAGING MEMBER LLC; AND PRE-TRIAL CONFERENCE.
BEFORE THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

A P P E A R A N C E S :

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1 THE COURT: Let me see. We still had on the calendar
2 FRGR Managing Member. I don't know whether -- I mean I guess we
3 do have something. So that's 09-11061 and adversary proceeding
4 09-01542.

5 MR. HERBST: Hi. Good morning, Your Honor. Gary
6 Herbst from Lamonica, Herbst & Maniscalco on behalf of Sal
7 Lamonica.

8 THE COURT: Since I told you the other day I wanted
9 you here, I mean we better find out what's going on.

10 MR. HERBST: I guess I have to say something. I'm
11 here, Judge.

12 THE COURT: Yes.

13 MR. HERBST: On behalf of Sal Lamonica, the Chapter 7
14 Trustee in the FRGR Managing Member's case. Your Honor, I think
15 on Friday we went through a laundry list of what was happening
16 in the case and we advised the Court that we had reached a
17 tentative settlement with Citigroup in the matter. We have been
18 exchanging the settlement documents. We are reviewing that now.
19 Hopefully by week's end, we'll have that completed and submitted
20 to the Court.

21 I have spoken with Mr. Steve Stern, counsel to I guess
22 Mark Stern, advising him that we've reached a resolution. They
23 may submit some other proposal to the Court or object but they
24 will be on notice, of course, of any proposal and there will be
25 an opportunity to be heard on it. But we think that the

1 proposal that we've worked out with Citigroup is a very good
2 resolution for all of the matters. But it will be on the Court
3 -- we have tentatively the May 18 date. We're going to try to
4 use that if we can. If we run a little short on time, then what
5 I may do is bring an order down to schedule a hearing for that
6 date if I am running short on the notice time.

7 THE COURT: Okay.

8 MR. HERBST: But I don't think that will be the case.

9 THE COURT: See if you can stay on the regular notice.
10 I will certainly consider shortening it by a little bit but --

11 MR. HERBST: That's all we would be talking about but
12 I don't think that will be necessary but we're working towards
13 getting it down to the Court for that date.

14 THE COURT: All right. Anybody else have -- thank you
15 very much.

16 MR. HERBST: Thank you.

17 THE COURT: I appreciate you coming back today.

18 MR. HERBST: Thank you, Your Honor.

19 THE COURT: All right. Anybody have anything else
20 they want to raise in either the FRGR Managing Member case or
21 the First Republic case? We're adjourned. Thank you very much.

22 MR. HERBST: Thank you, Your Honor.

23 MR. SEIDMAN: Thank you, Your Honor.

24 (Matter concluded as of 10:47:52 a.m.)

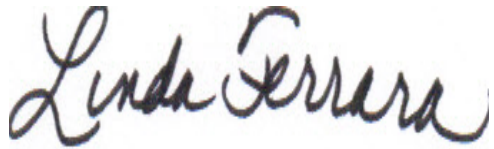
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CERTIFICATION

I, Linda Ferrara, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter.

Dated: April 13, 2010.

A handwritten signature in blue ink that reads "Linda Ferrara". The signature is written in a cursive, flowing style.

Signature of Approved Transcriber